VZCZCXRO5511 OO RUEHCI DE RUEHKT #0364/01 1240953 ZNY CCCCC ZZH O 040953Z MAY 09 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 0123 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 6935 RUEHLM/AMEMBASSY COLOMBO PRIORITY 7254 RUEHKA/AMEMBASSY DHAKA PRIORITY 2576 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 5298 RUEHLO/AMEMBASSY LONDON PRIORITY 6443 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3009 RUEHSA/AMEMBASSY PRETORIA PRIORITY 0247 RUEHCI/AMCONSUL KOLKATA PRIORITY 4586 RUEHGV/USMISSION GENEVA PRIORITY 2306 RUEKJCS/SECDEF WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 3503 RHEFDIA/DIA WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000364

STPDTS

E.O. 12958: DECL: 05/04/2019
TAGS: PREL PGOV PHUM KDEM NP
SUBJECT: NEPAL: PRIME MINISTER I

SUBJECT: NEPAL: PRIME MINISTER RESIGNS AFTER DISSENT OVER

SACKING CHIEF OF ARMY STAFF

REF: A. KATHMANDU 356

1B. KATHMANDU 345 AND PREVIOUS

Classified By: Ambassador Nancy J. Powell. Reasons 1.4 (b/d).

Summary

11. (C) On May 4 Prime Minister Dahal announced his resignation. The surprise announcement followed the May 3 cabinet vote supported only by the Prime Minister's Maoist party to immediately relieve General Katawal as Chief of Army Staff. UML and Sadbhavana Party ministers then resigned in protest. Katawal, most political parties, and the President refused to accept the Maoists' move as legitimate. The Maoists view President Yadav's stance in opposing Katawal's dismissal as unconstitutional, and are likely to take their views to the street.

Prime Minister Resigns

12. (C) On May 4, Prime Minister Dahal announced his resignation. The Prime Minister also accepted the resignations of the six Communist Party of Nepal - United Marxist Leninist (UML) ministers along with one Sadbhavana Party minister.

Maoists Vote to Remove Katawal

¶3. (U) At a cabinet meeting on the morning of May 3, the Maoist ministers voted to relieve General Rookmangud Katawal as Chief of Army Staff (COAS). Despite two weeks of harsh rhetoric against Chief of Army Staff Katawal and efforts to gain the support, or at least acquiescence of other parties, the Maoists were unable to garner the votes of any coalition partner at the cabinet meeting. Most of the non-Maoist ministers departed. Madhesi Forum ministers reportedly attended the cabinet meeting, but did not participate in the vote.

Others Informed

14. (U) After the cabinet meeting Khadka accepted appointment

as Acting Chief of Army Staff while Katawal refused to accept the letter dismissing him. Early afternoon, May 3 Defense Secretary Joshi delivered the letter dismissing Katawal to Nepal Army Headquarters. A copy of the letter was then forwarded to President Yadav. The cabinet also directly conveyed its decision regarding Katawal to the President in the afternoon.

Army with Two Chiefs

15. (C) At a meeting of senior staff at Army Headquarters on the afternoon of May 3 both Katawal and Khadka each stated they were in charge. In a subsequent staff meeting senior staff sentiment appeared to coalesce around supporting Katawal as the legitimate COAS for the time being.

Political Party Meetings

16. (U) Nepali Congress took the lead role in organizing a meeting of 17 parties opposed to the Maoists' move. After the UML central committee announced that it was pulling out of the government, they joined the discussion. The parties urged the President to intervene and prevent implementation of the Maoists' decision.

President's Actions

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17. (SBU) In a letter to the PM, the President urged the PM to reverse his decision, labeling it as 'unconstitutional and illegal.' President Yadav, as 'Guardian and Custodian of the Constitution, and Supreme Commander in Chief of the Nepalese Army' faxed a letter to General Katawal stating the process of his removal was unconstitutional and incomplete. Yadav directed Katawal to continue to report as COAS. Katawal reported to Army Headquarters on May 4. POWELL